

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, AUGUST 19, 2010**

The regular meeting of the Board of Directors (the "Board") of the Berks County Convention Center Authority (the "Authority") was called to order at 7:00 a.m. in the SMG Board Room, the Sovereign Center, 700 Penn Street, Reading, Pennsylvania.

The following members were present:

Mr. P. Michael Ehlerman
Mr. Michael Fiucci
Mr. John Ernesto
Mr. Carl Herbein

Mr. Albert Boscov was absent.
Mr. Brian D'Amico was absent.
Mr. Burlee Adams was absent.

The meeting was chaired by Mr. P. Michael Ehlerman.

Also present:

Mr. Zane Collings, SMG
Matthew M. Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.
Mr. Matt Salkowski, SMG
Ms. Hope Parkin, SMG
Mr. Donald Spatz, Reading Eagle

The Chairman declared that a quorum was present and proceeded with the meeting.

There were no comments from the public.

Upon a motion duly made and seconded, the minutes of the regular meeting of the board of June 17, 2010 were unanimously approved.

TREASURER'S REPORT

Mr. Herbein stated that the Board's annual audit was underway and that the audit report will be distributed and discussed at the October 21, 2010 meeting. Mr. Herbein presented the Treasurer's Reports for June and July to the Board for review. Mr. Herbein made note of several payments that were made in July including: i) the advance of \$90,000 to SMG to cover the loss for the previous fiscal year; (ii) a \$15,000 partial payment to Peter Nero; and iii) the bond payment for the fiscal year.

Mr. Herbein further reported that the hotel tax receipts again exceeded the 2009 figures for the months of May and June, with the hotel tax receipts being up over 11% from May and June 2009.

Finally, Mr. Herbein stated that it looks promising to make budget for 2010.

Upon a motion duly made and seconded, the Board unanimously approved the Treasurer's Report, as well as the approval of all the bills that have been paid.

SOLICITOR'S REPORT

Mr. Mayer stated that there was no new business to report on from the Solicitor's standpoint.

MANAGEMENT REPORT

Mr. Salkowski provided an operations update on behalf of SMG. SMG is currently working on various summer projects and making certain capital expenditures. One major project is the installation of a new concession area in SPAC, which will be located where the old coat room was located. Mr. Salkowski also stated that SMG is researching the concept of installing a new, more efficient lighting system in the Arena.

Mr. Collings began his events report by stating that SPAC is heavily booked for the fall, but the Arena's bookings have been much slower. Mr. Collings gave a thorough report on the state of music concerts nationwide and reported that concerts are down in general nationwide due to a poor summer concert season. In comparison, the Arena currently has 2 concerts scheduled for the fall, whereas it had 7 scheduled at this time last year. Despite the slow economy, the Walking with Dinosaurs show did very well at the Arena while the Jerry Seinfeld show did very well at SPAC. SMG is heavily promoting the Peter Nero/Philly Pops show right now. One corporate sponsor has already been secured and 12-18 sponsorship packets are still out for comment. Mr. Collings reported good news on the Arena's sports teams. The Reading Express have signed a 3 year deal to play in a new league and expect better things with a new general manager and head coach being hired. The Reading Royals season ticket sales are currently ahead of where they were last year at this point, which is another promising statistic. Mr. Collings reported that SMG continues to push on marketing advertisement and suite sales for the Arena/SPAC. Mr. Collings distributed an event schedule for the fall along with a compact disc containing excerpts from Senator O'Pake's program at SPAC which highlighted the City of Reading.

Mr. Collings also reported that SMG continues working on grant writing and trying to secure grants to assist in funding capital projects at SPAC and to help increase diversity programming at the Arena/SPAC.

Ms. Parkin provided a finance update on behalf of SMG. Ms. Parkin reported that the Arena made \$500 in fiscal year 2010, while SPAC lost \$167,000 (which although still a loss, was an increase over FY09). Ms. Parkin stated that the economic impact report will likely be completed and presented at the October meeting when the audit has been completed.

NEW BUSINESS

No new business was discussed.

There being no further business before the Board at the public session, the Chairman announced that the next regular meeting of the Board would be held at the Sovereign Center at 7:00 a.m., Thursday, October 21, 2010. At 8:10 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.